

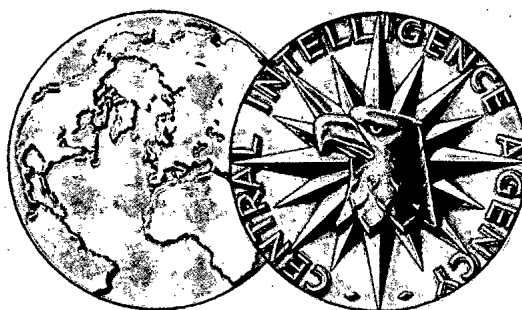
~~SECRET~~

FOR THE ASSISTANT DIRECTOR
FOR REPORTS AND ESTIMATES

43681

Current

FRANCE'S GERMAN POLICY



Document No. 001
NO CHANGE in Class. ☐
☒ DECLASSIFIED
Class. CHANGED TO TS S C
DDA Memo 4 Apr 77
Auth: DDA REG 77-1763

ORE 39-48

This document has been Published 29 December 1948
approved for release through
the HISTORICAL REVIEW PROGRAM of
the Central Intelligence Agency.

Date 21 Jan 92

HRP

92-4

CENTRAL INTELLIGENCE AGENCY

~~SECRET~~

227046

WARNING

This document contains information affecting the national defense of the United States within the meaning of the Espionage Act, 50 U.S.C., 31 and 32, as amended. Its transmission or the revelation of its contents in any manner to an unauthorized person is prohibited by law.

~~SECRET~~

DISSEMINATION NOTICE

1. This copy of this publication is for the information and use of the recipient designated on the front cover and of individuals under the jurisdiction of the recipient's office who require the information for the performance of their official duties. Further dissemination elsewhere in the department to other offices which require the information for the performance of official duties may be authorized by the following:

- a. Special Assistant to the Secretary of State for Research and Intelligence, for the Department of State
- b. Director of Intelligence, GS, USA, for the Department of the Army
- c. Chief, Naval Intelligence, for the Department of the Navy
- d. Director of Intelligence, USAF, for the Department of the Air Force
- e. Director of Security and Intelligence, AEC, for the Atomic Energy Commission
- f. Deputy Director for Intelligence, Joint Staff, for the Joint Staff
- g. Assistant Director for Collection and Dissemination, CIA, for any other Department or Agency

2. This copy may be either retained or destroyed by burning in accordance with applicable security regulations, or returned to the Central Intelligence Agency by arrangement with the Office of Collection and Dissemination, CIA.

DISTRIBUTION:

Office of the President
National Security Council
National Security Resources Board
Department of State
Office of Secretary of Defense
Department of the Army
Department of the Navy
Department of the Air Force
State-Army-Navy-Air Force Coordinating Committee
Joint Chiefs of Staff
Atomic Energy Commission
Research and Development Board

~~SECRET~~

ORE 39-48

~~SECRET~~

FRANCE'S GERMAN POLICY

SUMMARY

The primary aim of French policy toward Germany since 1944 has been to prevent a revival of German domination in Europe. This objective can be clearly discerned in the action taken by the French Government during the past three years in the administration of the French zone of occupation, where French authorities have followed a policy designed to subordinate German recovery to French interests and to eliminate all threat to France of future German aggression. Political control is rigid, and encourages decentralization of German Government. Economic control is harsh and has tended to exhaust the limited industrial resources of the zone. French determination to prevent German resurgence has also made itself apparent in connection with the Six-Power Agreements for the establishment of a west German Government, and more recently, in the negotiations to implement these agreements. This objective will continue to dominate French policy in Germany, but the program for achieving this by decentralizing and restricting German economic and political life is being modified by the trend toward the collective security of a Western bloc. Under the pressures created by the growing Soviet threat and expanding US security interests in Western Europe, France has made substantial concessions to US and UK policy in regard to the economic rehabilitation and administrative integration of the three western zones of Germany. To the degree that these pressures continue to favor economic and political integration and measures for defense of the Western European countries, supported by US guarantees and including western Germany, France will modify its policies in Germany and continue to cooperate with the US in Europe.

Disagreement remains on many controversial issues. Any French Government, particularly a Gaullist one, will attempt to achieve a high degree of decentralization in the final version of the German Constitution. France will also oppose revision of the program for dismantling of industries in Germany, and will attempt to maintain a high rate of reparations and the present ceiling on German industrial capacity. France will continue to strive for extended control over management of Ruhr industries by the International Authority in the post-occupation period, a point of possible future conflict with US policy. French public opinion is extremely sensitive on the German question, a sensitivity which severely restricts the capability of politically responsible French statesmen to make concessions in this field.

However, even in the absence of US pressure toward this end, it is likely that France will seek a solution to the German problem through unity of action with other European powers. The impetus toward the collective strength of a European bloc appears to have created a fundamental trend in French policy toward Germany. It is unlikely that even a partial "suspension" of the London Agreements could cancel

Note: This report has been concurred in by the intelligence organizations of the Departments of State, Army, Navy, and the Air Force. The information herein is as of 21 December 1948.

~~SECRET~~

~~SECRET~~

the benefits of this trend to US security objectives. At the same time France will probably attempt to exploit continental solidarity to organize European opinion against any action by the US which appears to subordinate French security fears toward Germany to US security fears toward Soviet Russia. Any action taken by the US without prior consultation with France and affecting points of disagreement in regard to Germany will run the risk of provoking a serious setback to cooperation between the Western Powers and the US.

~~SECRET~~

~~SECRET~~

FRANCE'S GERMAN POLICY

1. GENERAL POLICY TOWARD GERMANY.

The primary aim of French policy toward Germany since 1944 has been to prevent a revival of German domination in Europe. This objective can be clearly discerned in the action taken by the French Government during the past two years in the administration of the French zone of occupation and, more recently, in connection with the Six-Power Agreements for the establishment of a west German Government. This objective will continue to dominate French policy in Germany, but the program for preventing German resurgence by decentralizing and restricting German economic and political life is being modified by the trend toward the collective security of a western bloc. Under the pressures created by the growing Soviet threat and expanding US security interests in Western Europe, France has made substantial concessions to US and UK policy in regard to the economic rehabilitation and administrative integration of the three western zones of Germany. To the degree that these pressures continue to favor economic and political integration and measures for defense of the Western European countries, supported by US guarantees and including western Germany, France will modify its policies in Germany and continue to cooperate with the US in Europe.

The negotiations carried on during the past ten months among the US, UK, France, and the Benelux countries toward the creation of a west German state have resulted, moreover, in a realization on the part of the French Government that a unilateral and traditionally harsh policy which would isolate Germany is less favorable in the long run to French security interests than a policy directed toward the incorporation of Germany into a western bloc or European federation in which France can play an important role.

Even a change in the international situation, resulting in a decline in US military and economic commitments in Europe, would probably not result in a reversion of French policy to its traditional form. The impetus toward the collective strength of a European bloc appears to have created a fundamental trend in French policy toward Germany. Even in the absence of US pressure toward this end, it is likely that France will seek a solution to the German problem through unity of action with other European powers.

French policy on many specific issues, particularly those regarding the future political organization of Germany, will nevertheless continue to result in conflicts with US policy. French opinion will always be extremely sensitive on the German question. In regard to the economic restoration of Germany, France will oppose—and try to organize European opinion against—any action by the US which appears to subordinate France's security fears toward Germany to US security fears toward Soviet Russia. Any action taken by the US without prior consultation with France and affecting points of disagreement in regard to Germany will run the risk of providing a serious setback to the process of cooperation between the Western Powers and the US.

~~SECRET~~

~~SECRET~~

2. POLICY IN THE FRENCH ZONE OF OCCUPATION.

The political and economic administration of the French zone provides a clear picture of a policy designed to subordinate German economic recovery to French interests and to eliminate all possible threat to France of a future German aggression.

a. *Political.*

This administration is characterized in its political policies by a high degree of military government control and an organization of the *Laender* designed to encourage decentralization. The military government maintains a rigid control of German administrations and political parties. The Christian Democrats (CDU) receive French support because they favor a federalized Germany, while the Social Democrats have their activities curtailed chiefly because they favor a strongly centralized government. Other French policies designed to prevent the rebirth of German nationalism and the spread of any centralist tendencies are: insistence that the Germans administer the *Laender* separately, rather than as a unit, in the manner of the US and UK zones; encouragement of separatist tendencies in southern Germany, particularly in Bavaria; and an extensive and long-range program of re-education. The French authorities have laid particular emphasis upon a cultural and educational program in the hope of preparing the Germans for democracy and in an effort to establish better political relations between the French and German populations.

b. *Economic.*

French economic policy is characterized by considerable harshness. This policy is designed to make the zone support itself; to contribute something, if possible, to French recovery; and to develop along lines which will serve French economic interests. The French are strictly rationing food and clothing and have done little toward rebuilding cities where war damage created a great shortage of housing. The French admit that the presence of large numbers of occupation troops and civilian employees, with their families, constitutes a great drain on the limited housing and food resources of the zone. However, prodded by the US, the French have recently officially abandoned requisitions of German foodstuffs and are gradually taking measures to reduce the occupation personnel in the zone. Exploitation of the industrial resources of the zone for the benefit of the economy of metropolitan France has been pursued by: the transfer of machinery from the zone to France; the acquisition of highly advantageous processing and purchasing agreements; and facilitation of the acquisition by French capital of controlling interests in local industries. These economic policies not only have resulted in a depressed standard of living in the zone, which threatens to cancel the political good will created by the cultural program, but they have also so aggravated the basic industrial poverty of the French-occupied areas as to make that zone a greater liability to the US economic assistance program for western Germany than the US or UK zones.

The effects of this economic program are becoming evident to the more enlightened occupation officials, particularly the education officers. Under their com-

~~SECRET~~

~~SECRET~~

mitments to a joint policy in Germany as expressed in the London Agreements, the French authorities are being obliged to make fundamental changes, both political and economic, in their occupation policies.

3. FRENCH POLICY AND THE LONDON AGREEMENTS.

French policy in the zone of occupation reveals the traditional French economic and security interests in regard to Germany. A broader view has developed out of compromises required to effect agreement with five other Western Powers on a joint policy for Germany, problems of Western European Union, European Recovery, and the role of France in the East-West conflict. The above factors, the pressure of US influence, and the course of events in Berlin will continue to modify some aspects of the traditional French approach to "the German problem." The London Agreements provide the basis for an estimate of the extent to which these factors will affect French policy.

a. Development of a Joint US-French Policy.

The final report on the London Talks covers seven points: (1) association of Benelux countries in policy regarding Germany; (2) international control of the Ruhr; (3) protection of Foreign Interests in Germany; (4) evolution of the Political and Economic Organization of Germany; (5) Trizonal Export/Import Policy; (6) provisional Territorial Arrangements; and (7) security. The twenty-three pages, including Annexes and Appendices, are the product of four months of slow and painful negotiations and of concessions on the part of both the US and France. The bitterest controversy centered around the provisions for: (1) the political organization of Germany; (2) security against future German aggression; (3) the provisional territorial arrangements (for possible changes in western frontiers of Germany); and (4) the establishment of the International Authority for the Ruhr.

b. US Concessions.

The final agreements represent substantial concessions to the French desire for guarantees against a German military, political, or industrial revival which would endanger France's place on the continent. As the price of adherence to trizonal fusion and the establishment of a western German Government, France demanded and obtained agreement that: (1) the Constitution to be drawn up by a German Constituent Assembly should be based on the principle of a "decentralized Federal Government" rather than on a more centralized government, as desired by the US and UK; (2) the method of the election of the delegates to this Assembly should be determined by the *Laender* themselves (thus permitting the French to avoid in their zone popular elections which they considered an *impetus* to German nationalistic feeling); (3) sweeping provisions should be made for all types of security control, including disarmament, demilitarization, and control of industry, inspection and enforcement of these measures through a Military Security Board, agreement on a "long" period of occupation, and security measures following the occupation period; (4) a working

~~SECRET~~

~~SECRET~~

party be established to consider the territorial claims, principally of the Benelux countries against Germany (a move opposed by the US as fuel for German irredentist sentiment); and (5) an International Authority be established to control the distribution of the Ruhr production.

c. French Concessions.

French concessions consisted principally of: (1) agreement in the first place to any tripartite action in Germany, although France was bitterly opposed to this action on the basis that such a move might provoke Russia to take countermeasures leading to an international crisis and, possibly, war; (2) agreement to the establishment of a central German Government, which France opposed as the possible nucleus of a restored Germany, aggressive on her own part or in alliance with the Soviet Union; (3) agreement to the preparation of a Constitution, to which France was strongly opposed on the basis that the splitting of Germany could not then be regarded as final, that those Germans upon whom the responsibility would fall for proceeding with a Constitution for western Germany would suffer politically, and that such a Constitution would never be seriously accepted by the Germans as the permanent basis of a future German state; and (4) agreement to take steps toward a trizonal economic merger by joining the Joint Export/Import Agency (JEIA).

4. SIGNIFICANCE OF THE LONDON AGREEMENTS.

The compromises in regard to Germany which the agreements represent, and the steps which have been taken to implement the agreements since they were signed by France in June, represent considerable progress by France and the US toward a "joint policy" in Germany. It is unlikely that even a partial "suspension" of the Agreements could cancel the benefits of this progress to US security and to the economic and political unification of Western Europe. Over and above any pressure the US may exert in this direction, continuance by France of a "joint policy" with the US in regard to trizonal fusion is indicated by the fact that: the provisions for security represent a significant achievement from the French point of view; and the establishment of the International Authority for the Ruhr represents a positive move toward attainment of one of the main objectives of French foreign policy during the past thirty years. Moreover, the French Government has signed the JEIA Charter, and the steps which are being taken toward economic integration of the zones would be difficult to retrace. There is concrete evidence that the French Government is becoming increasingly aware of the benefits to French aims in Germany of the presence of French representatives on tripartite governing bodies controlling security, or any other over-all questions of interest to France. The French Government has recently gone beyond the London provisions for trizonal fusion in advocating, over UK opposition, the establishment of a future Trizonal Military Government Organization aimed at administrative tripartite control of trizone as a single unit, decisions being reached by majority vote. While many of these moves on the part of France may be regarded as devices to bring French policy more effectively to the attention of the US and UK governments, the resulting negotiations have demonstrated the willingness of all the

~~SECRET~~

~~SECRET~~

nations concerned to make compromises in order to reach agreement and have given considerable impetus to collective action and security in Europe.

On the other hand, France will unquestionably attempt, while pursuing a "joint policy," to obtain fuller consideration of its aims in regard to political decentralization, and will remain suspicious and obstructionist in regard to US economic policy in Germany. In order to give weight to French views as opposed to US on various issues, particularly those concerning European economic interests, France will probably attempt to utilize continental solidarity. French public opinion toward the German question has been created by bitter historic experience. The London Agreements were accepted in the French Assembly by a narrow margin of votes and only after bitter debate and the attachment of five reservations. These called upon the government to press its demands in regard to: political decentralization, allocation of reparations, control and internationalization of the Ruhr, and guarantees of security through military agreements with the US and UK.

In connection with those reservations, any French Government, particularly a Gaullist one, is likely to delay, by overt and covert means, the completion of a German Constitution. Such delay would be intended to achieve a high degree of decentralization in the final version and to extend, in favor of the federal principle, the provisions in the London Agreements for the "political organization" of Germany. Although formally stating the principle of federalism and decentralization, the wording and intent of these provisions, necessitated by the consideration of their effect on German, as well as French opinion, did little to allay French suspicion and fear of the development of a centralized Germany.

France will, furthermore, oppose any revision of the program for dismantling of prohibited industries, and will attempt to maintain a high list of reparations and the present ceiling on German industrial capacity. This policy will be particularly effective and serious from the US point of view, in regard to the Ruhr. To France, the International Authority for the Ruhr represents the means of: (1) preventing a re-growth of the German industrial war potential; (2) preventing future German control of this potential through international control of management and ownership; and (3) favoring the development of the French economy over that of the German. France will attempt to set high quotas for coal export from the Ruhr in order to encourage the expansion of steel industry elsewhere in Europe and force curtailment of steel production in Germany. This policy runs directly counter to US policy, which believes that a revival of the Ruhr steel industry is necessary not only to restore the German economy, but also is essential to a healthy Western Europe. The US has been strongly opposed to an extension of the International Authority's powers of control over Ruhr industry, a policy which France will continue to push with great determination.

5. *Continuation of a Joint Policy.*

The question of the Ruhr, and other fundamental issues in the US-French conflict of policy in Germany, will be resolved only by the same type of compromise on both

~~SECRET~~

~~SECRET~~

sides which made possible the creation at London of the Ruhr Authority, the Military Security Board, and the other instruments of tripartite cooperation. In London, US concessions were motivated by the realization that: (1) any moves on the part of the US toward the establishment of a west German state or the expansion of production in the western zones without French consent would result in a serious setback to the process of political cooperation among Western Powers and the US; and (2) in order to obtain French or Benelux cooperation a degree of authority not directly proportionate to economic contributions must be vested in allied groups such as the OEEC (Organization for European Economic Cooperation).

French concessions were, likewise, born of the realization that French economic and political survival is dependent upon cooperation with the US in a program to build a strong and unified Western Europe. A US military commitment in Europe, by allaying the fundamental French fear that France may again be left alone in Europe to face a resurgent Germany, would have considerable effect in obtaining French concessions on fundamental economic issues. In regard to the points of conflict in US and French political policies, however, particularly the question of the form of the future German state and the timing of its constitutional development, France can be expected to: (1) insist upon the utmost degree of decentralization consistent with the economic program which is eventually developed for western Germany; and (2) attempt to postpone any decisions or steps toward the formal constitution of this state in the interest of a long-range program fostering the autonomy of the individual German *Laender* and the growth of a decentralized German "federation."

To the degree that the interest of the western nations in the development of a strong Western European Union backed by US economic aid and military guarantees continues, or becomes intensified by the course of international events, traditional economic and political French policies toward Germany will tend to become subordinate to measures for strengthening a western bloc or building a European federation including western Germany.

~~SECRET~~

~~SECRET~~

RECEIVED
INFORMATION CONTROL/ORE

1948 DEC 30 14 09